Setting up of Mega Food Park in Karnataka

*114. SHRI LALIT SURI:
DR. VIJAY MALLYA:

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that Government have proposed to set-up a mega food park in Karnataka;

(b) if so, whether Government of Karnataka has agreed to provide required basic infrastructure;

(c) whether there is any proposal with Government to devise a separate food processing policy;

(d) by when the proposed food park will start functioning in Karnataka; and

(e) whether there is any proposal with Government to have outsourcing centres for readymade food and products?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (e) The Ministry has proposed a new scheme, Integrated Food Zones/Mega Food Park aimed at providing integrated solutions to provide comprehensive and quality Infrastructural facilities with appropriate linkages. The scheme is being developed in consultation with Planning Commission. No proposal for setting up of Mega Food Park in Karnataka has been received.

However, the Ministry of Food Processing Industries, with a view to make available Infrastructural facilities to processing units, under its plan schemes, provides assistance to Food Parks. Financial assistance @25% of project cost in general areas and @33.33% of project cost in difficult areas, subject to maximum of Rs. 4.00 crore, for provision of common facilities in Food Parks such as prower supply, water supply, cold storage, warehousing facilities, effluent treatment plant, food testing analytical laboratories, common processing facilities etc. The assistance is available to all implementing agencies including State Government undertakings, cooperatives, private entities who come forward with viable proposals. The Government does not set up food parks on its own.

In Karnataka, the Ministry has approved 3 Food Parks for providing financial assistance-one each at Malur, District Kolar, Bangalkot District Bangalkot and Jewargi, District Gulbarga. The Food Parks in Karnataka were orginally sanctioned to Karnataka Industrial Areas Development Board (KIADB). Subsequently, a new entity Food Karnataka Ltd. was formed by the Government of Karnataka who have initiated implementation of the Food Parks in joint Venture with Private Partners.

The Government has constituted a Group of Ministers (GoM) for an integrated strategy for promotion of agribusiness-Vision, Strategy and action Plan for the Food Processing Sector. The GoM is yet to give its recommendations.

At present, the Ministry does not operate any specific scheme for outsourcing of readymade food and products.

MNCs in Food Processing Activities

*115. SHRI T.T.V. DHINAKARAN: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the details of MNCs engaged in food processing activities showing the nature of activity and the size of industry for each MNC;

(b) the steps taken/proposed to be taken to protect small scale/cottage industries from the stiff competition offered by the MNCs and large scale domestic industries; and

(c) whether Government will consider reserving certain food processing sector to the small/cottage industries to protect them?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (c) Several multinational companies are engated in the food processing activities. In accordance with guidelines issued by the Ministry of Commerce & Industry, FDI is permitted up to 100% on the automatic route in food processing sector subject to sectoral rules/regulations. The growth rate of unregistered manufacturing sector of food processing sector has been quite robust as compared to the registered sector.

Assistance is provided under the plan schemes of this Ministry to the food processing industries in the following manner:—